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SUMMARY RECORD OF THE 56th MEETING

Chairman: Mr. MUNTASSER (Libyan Arab Jamahiriya)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

CONTENTS

AGENDA ITEM 113: PATTERN OF CONFERENCES (continued)

AGENDA ITEM 107: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1992-1993 (continued)

The contingency fund: consolidated statement of programme budget implications and revised estimates

Revised estimates: effect of changes in rates of exchange and inflation

Draft report of the Fifth Committee

ORGANIZATION OF WORK

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The meeting was called to order at 3.50 p.m.

AGENDA ITEM 113: PATTERN OF CONFERENCES (continued) (A/C.5/46/L.19)

1. Ms. GOICOCHEA (Cuba), speaking in her capacity as coordinator of the informal consultations on agenda item 113, introduced draft resolution A/C.5/46/L.19. Paragraphs 1 to 5 related to the adoption of the calendar of conferences for 1992-1993 and to procedures for adjusting the calendar. Paragraph 3, in particular, dealt with the possible rescheduling of the substantive session of the Economic and Social Council and paragraph 5 with procedures for dealing with inter-sessional departures by the Council from the approved calendar.

2. The important issue of the utilization of conference-servicing resources by United Nations organs was dealt with in paragraphs 9 to 17. Particular attention was drawn to paragraphs 11 and 12, the understanding being that interpretation services would be provided to the informal consultations in question as available. Paragraph 13 addressed the problem of organs which consistently underutilized conference-servicing resources. Paragraph 17 sought to strengthen coordinated planning of conference-servicing resources, while paragraph 18 called for a consolidated statement on scheduled special conferences. Bodies such as the Governing Council of the United Nations Development Programme (UNDP) and the Executive Board of the United Nations Children's Fund, which received conference servicing but not funding from the regular budget, were dealt with in paragraphs 19 and 20. Paragraphs 21 through 23 concerned the system-wide introduction and cost-effectiveness of equipment and new technologies, and the following two paragraphs with control and limitation of documentation. Paragraph 26 called for a task force to review and report on the organizational structure, technological innovations and working methods of the Department of Conference Services, and paragraph 28 for the Committee on Conferences to explore ways of achieving the goal of efficiency and effectiveness. A final paragraph related to possible biennialization of agenda item 113.

3. She recommended that the draft resolution should be adopted by consensus.

4. Draft resolution A/C.5/46/L.19 was adopted.

5. Mr. DELCORDE (Belgium), speaking in explanation of position, said that his delegation regretted that a firm position had not been taken in the draft resolution in respect of bodies whose conference-servicing utilization factor was consistently very low, such as the Committee on Information, the Disarmament Commission, the Ad Hoc Committee on the Indian Ocean or the Board of Trustees of the United Nations Institute for Training and Research. The duration of meetings of those committees should be shortened accordingly.

6. His delegation had proposed an amendment to that effect in the informal consultations and it deplored the fact that some delegations had preferred to

(Mr. Delcorde, Belgium)

maintain the status quo and leave the Committee on Conferences without guidelines. That Committee should adopt a strong policy on underutilization, which was a flagrant example of waste of United Nations budgetary resources.

7. With those reservations, Belgium had joined the consensus, but might be unwilling to do so in future.

8. Mr. IRUMBA (Uganda) said that his delegation had been able to join the consensus precisely because the draft resolution reflected the general view of the Committee. The function of the Committee on Conferences was simply to arrange conference services so that the Organization worked efficiently. It would be a perversion of the mandate of that Committee if it were used to curtail the activities of other bodies or if it were surreptitiously given a budgetary role. Uganda would in future resist all efforts to give the Committee on Conferences any power not envisaged in its mandate.

9. Mrs. CLIFF (United Kingdom) said that her delegation shared many of the concerns expressed by the representative of Belgium. Since the United Kingdom was leaving the Committee on Conferences, it urged it to take seriously the mandate given it in paragraph 28 of the draft resolution regarding implementation of the recommendations of the Group of High-level Intergovernmental Experts.

AGENDA ITEM 107: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1992-1993 (continued)

The contingency fund: consolidated statement of programme budget implications and revised estimates (A/C.5/46/81)

10. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee had considered the report of the Secretary-General on the consolidated statement of programme budget implications and revised estimates which fell under the guidelines for the use and operation of the contingency fund, contained in document A/C.5/46/81. The total additional requirements to be financed from the contingency fund for the biennium 1992-1993 amounted to $2,762,900. Since that amount was within the $18-million level of the contingency fund for that period, the Secretary-General proposed an appropriation of the full amount required.

11. On the basis of the procedures laid down in General Assembly resolution 42/211, the Advisory Committee had no objection to the Secretary-General's proposal. It therefore recommended that the General Assembly should appropriate an amount of $2,762,900, distributed under the various budget sections as indicated in paragraph 2 of the Secretary-General's statement.

12. Mr. BAUDOT (Director, Programme Planning and Budget Division) drew the Committee's attention to an error in paragraph 2 of document A/C.5/46/81. The

(Mr. Baudot)

entry under section 21 should be deleted and the amount indicated under that section should be added to section 23 of the programme budget.

13. The CHAIRMAN said that he would take it that the Fifth Committee, on the basis of the report of the Secretary-General and the recommendation of the Advisory Committee and in accordance with paragraph 5 of the annex to General Assembly resolution 46/211, wished to recommend that the Assembly approve additional appropriations in the amount of $2,762,900, under the relevant sections of the proposed programme budget for the biennium 1992-1993, as indicated in paragraph 2 of the report of the Secretary-General (A/C.5/46/81), and to inform the Assembly that a balance of $15,237,100 would remain in the contingency fund.

14. It was so decided.

Revised estimates: effect of changes in rates of exchange and inflation (A/C.5/46/82)

15. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee had considered the report of the Secretary-General (A/C.5/46/82) in which he submitted revised estimates resulting from changes in rates of exchange and inflation. As indicated in paragraph 4, the revised rates had been applied to the proposed programme budget for 1992-1993 as approved by the Fifth Committee in its first reading, and to all revised estimates and statements of programme budget implications approved to date. However, that did not include the estimated amounts that would arise from the implementation of the recommendations of the International Civil Service Commission (ICSC); those amounts were contained in document A/C.5/46/33 and would be reported on in the Secretary-General's first performance report.

16. The Advisory Committee noted that the December rates had been used in the recosting. In that connection, it had been informed that the use of the December rates resulted in a figure slightly lower than that which would have been obtained by using the average rates for 1991, and was therefore more favourable to Member States. As stated in paragraph 5 of the Secretary-General's report, the overall effect of the recosting was, in round figures, a net increase of $52.9 million under the expenditure sections and an increase of $46.6 million under the income sections. The increase under the expenditure sections was attributable to increased requirements of $73.6 million in respect of inflation (para. 6), which were partly offset by savings of $20.7 million as a result of currency fluctuations. For each duty station the Secretary-General compared the rates of exchange and inflation which he was now proposing together with those assumed in his initial proposal. He gave a breakdown (para. 7) of the net increase of $52.9 million under the expenditure sections by main item of expenditure, showing that $46.9 million were attributable to staff assessment, while increased requirements under established and temporary posts amounted to $12.3 million.

(Mr. Mselle)

Those increases were partly offset by a reduction of approximately $6.3 million under non-post items.

17. The Advisory Committee noted that the net increase of $12.3 million for costs was due to a decrease of $31 million in view of changes in average levels, which took into account the most recent experience with regard to salaries and rates of common staff costs, more than offset by an increase of $43.3 million reflecting the full cost of inflationary factors on salaries in 1992 and 1993 (para. 8). Major increases had been registered at field missions, Bangkok and Addis Ababa and smaller ones at Geneva and Nairobi, while decreases had been registered at all other locations.

18. The Advisory Committee found no technical basis for objecting to the Secretary-General's revised estimates resulting from the recosting of the effect of changes in rates of exchange and inflation, as set out in his report, and accordingly transmitted them to the Fifth Committee for consideration and approval.

19. Mr. KINCHEN (United Kingdom) expressed concern over the conditions under which the Fifth Committee was being asked to consider the recosting of the proposed programme budget. With regard to paragraph 6 of document A/C.5/46/82, the General Assembly, in resolution 44/198, had requested the Secretary-General to make all necessary efforts to absorb a significant portion of the additional costs arising in respect of the regular budget as a result of the comprehensive review of the conditions of service of the staff in the Professional and higher categories, to which the Field Service had subsequently been assimilated.

20. Mr. MORDACQ (France) said that he endorsed the observations just made by the representative of the United Kingdom. He found it strange that the Secretary-General should refer in the same paragraph of his report (A/C.5/46/82) to increased requirements in respect of inflation and to the salary increases recommended by ICSC and approved by the General Assembly.

21. The CHAIRMAN said that, if he heard no objection, he would take it that the Fifth Committee wished to approve an increase in the amount of $52,894,900 under the expenditure sections and $46,570,300 under the income sections of the proposed programme budget for the biennium 1992-1993, as indicated in the table in paragraph 5 of the report of the Secretary-General (A/C.5/46/82).

22. It was so decided.

Draft report of the Fifth Committee (A/C.5/46/L.18)

23. Mr. BARIMANI (Islamic Republic of Iran), Rapporteur, introducing the draft report, said that part I contained introductory material, while part II contained the results of the decisions on individual expenditure and income sections taken by the Committee in first reading. Part II, addendum I,

(Mr. Barimani, Islamic Republic of Iran)

reflected the outcome of the second reading of the proposed programme budget. Part III contained a summary of the Committee's consideration of special subjects. Finally, part IV contained the recommendations of the Fifth Committee in the form of four draft resolutions.

24. Draft resolution I dealt with questions related to the proposed programme budget for the biennium 1992-1993. He wished to point out, however, that there were two omissions in part A of the draft. The first was the proposal made by the representative of the United Kingdom, which had been amended by the representative of Cameroon and approved by the Committee, relating to the effects of inflation and currency exchanges. The second was the proposal made by the representative of Cameroon concerning the role of the Fifth Committee as the organ having responsibility for administrative and budgetary matters. That proposal had also been approved by the Committee. Draft resolution II concerned the programme budget for the biennium 1992-1993. Draft resolution III dealt with unforeseen and extraordinary expenses for the biennium 1992-1993 and draft resolution IV dealt with the Working Capital Fund for the biennium 1992-1993.

25. Mr. INOMATA (Japan) said that, with reference to the role of the Fifth Committee, it was his recollection that the representative of Cameroon had withdrawn the draft resolution which he had originally submitted and had agreed that his observations should be reflected in the summary record.

26. The CHAIRMAN invited the Committee to take action on draft resolutions I to IV.

Draft resolution I

27. Draft resolution I was adopted.

Draft resolution II

28. Mr. INOMATA (Japan) said that section C of draft resolution II, which was of great importance to Member States, contained a number of inaccuracies. It was not at all clear, for example, how the figure of $US 33,902,400 in paragraph 1 had been arrived at. He asked the Secretariat to provide corrected figures in due course.

29. Mr. BAUDOT (Director, Programme Planning and Budget Division) said that because of the pressure under which the Secretariat had been required to complete its task some of the figures contained in the draft resolutions before the Committee were not final. The draft resolutions that would be considered by the plenary Assembly, however, would contain the corrected figures. He indicated the figures in section C of draft resolution II which would be replaced by new figures and assured the representative of Japan that any clarifications required would be provided.

30. Mr. MORDACQ (France) said that, while it was natural to expect a document prepared under such constraints of time to contain errors, his delegation, too, had questions concerning certain figures. He was sure, however, that there were technical explanations and would welcome the clarifications promised by the Secretariat.

31. Draft resolution II was adopted.

Draft resolutions III and IV

32. Draft resolutions III and IV were adopted.

33. The draft report of the Fifth Committee (A/C.5/45/L.18) as a whole was adopted.

34. Mr. MOOSE (United States of America), explaining his delegation's position on the draft resolutions just adopted, said that the approved budget reflected the agreement reached the previous year on the budget outline and preserved the consensus decision-making process that underlay resolution 41/213. The adoption of the draft resolution by consensus was another important step in rebuilding the confidence of all Member States in the Organization and reflected the significant progress made towards further reform in the Secretariat. It had provided the new Secretary-General with a basis for further restructuring and enhancing programmes and activities, such as the reforms aimed at strengthening the Organization's capacity to respond to the priority needs of Member States.

35. The forty-sixth session had marked an important change in the way in which Member States approached budgetary and management issues at the United Nations. Delegations had adopted a more positive and cooperative approach and efforts had been made to finance new activities through redeployment rather than the appropriation of additional resources. While the Fifth Committee had accepted the Advisory Committee's recommendation for a reduction of $13.3 million in respect of unspent balances, the approved budget level should make further redeployment possible. His delegation shared the Advisory Committee's view that every effort should be made to absorb to the maximum extent possible such additional costs as might arise during the biennium 1992-1993.

36. His delegation had expressed its concern over the calculation of, and budgetary provision for, staff assessment. The United States was the only country to be assessed for that budgetary provision and the substantial increases proposed by the Secretary-General would therefore have a direct impact on the level of his country's contribution. In that connection, he wished to place on record his delegation's continuing objection to the way in which the Secretariat calculated the tax attributable to United Nations salaries for purposes of refunding the staff assessments of employees whose countries taxed their United Nations income. The method of calculation used by the Secretariat resulted in improper payments since they had the effect of subsidizing the non-United Nations income of United Nations staff.

37. Mr. LEV (Israel) reiterated the reservations in respect of the proposed programme budget which his delegation had expressed during the first reading.

38. Ms. MUSTONEN (Finland), speaking on behalf of the Nordic countries, said that the current session had been marked by uncertainty over whether agreement would be reached on the proposed programme budget and even whether funds would be available to finance the activities of the United Nations for the remainder of the year. She therefore welcomed the adoption by consensus of the proposed programme budget. She also noted with satisfaction the increase in appropriations to a number of programmes which were of particular interest to the Nordic countries.

39. With regard to the reductions recommended by the Advisory Committee in respect of underutilized balances, she was satisfied with the explanation that the reductions were an ad hoc measure and welcomed, in particular, the Advisory Committee's request to the General Assembly that the cuts should be implemented with due regard for the requirements of Secretariat programmes and services. The Nordic States expected the Secretary-General to distribute the reduction taking into account such factors as the general and specific redeployments approved by the General Assembly upon the recommendation of the Advisory Committee and the need to avoid any adverse impact on programme delivery.

40. The lack of a stable basis for the financing of the expenditures just approved by the Committee remained a major cause of concern to the Nordic countries. They noted with regret that, because of the outstanding contributions of many countries, the financial foundations of the Organization were insecure and the financing of approved activities, including peace-keeping, were thus jeopardized. The Nordic countries hoped that renewed and determined efforts would be made to ensure the credibility and financial viability of the United Nations.

ORGANIZATION OF WORK

41. The CHAIRMAN said that, if he heard no objection, he would take it that the Fifth Committee wished to recommend to the General Assembly that it should revert to agenda item 115 (Personnel questions) at a later stage in the forty-sixth session.

42. It was so decided.

43. Mr. GREALY (Australia) said that during the previous discussions on the item, his delegation, together with those of Canada and New Zealand, had expressed a strong preference for consideration of agenda item 115 to be deferred to the forty-seventh session of the General Assembly. That position had also been supported by most of the other delegations.

44. The CHAIRMAN said that note would be taken of the observations just made.

The meeting rose at 5.10 p.m.